

Conservation Services Group
LMOP Abstract
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Title: LFG's Role in RPS Compliance in New England

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Currently, there are nineteen states that have enacted or are in the process of enacting a Renewable Portfolio Standard (RPS) program, which mandates that a certain percentage of electricity sold by Load Serving Entities, Retail Electric Providers, and/or Utilities must be generated by renewable energy technologies. The stringency of the RPS is dependent of each state's renewable energy percentage, qualification, vintage, and delivery requirements.

The Massachusetts RPS and the Connecticut RPS—two of the most developed programs in the United States—have renewable energy goals of 4% by 2009 and 7% by 2010, respectively. As the RPS markets emerge, more renewable energy facilities will be needed to fulfill these compliance requirements. As a qualifying renewable energy resource, Landfill Gas makes up a large percentage of the renewable energy portfolio. In Massachusetts, for example, 56% of the renewable energy used for the 2003 Compliance Year came from landfill gas facilities.

However, permitting and financing difficulties have created a tight supply of renewable energy in the short-term. Fortunately, the development of LFG has significant advantages over other renewable energy technologies. For example, LFG does not face the siting, permitting, and/or regulatory issues that wind and biomass do. Also, LFG has a relatively short lead-time for getting new generation on-line, which keeps capital costs low. Lastly, as a non-intermittent source, LFG power can be delivered into other markets provided it meets the states' delivery requirements. Overall, by partaking in the multiple RPS markets, generators can develop a more robust sales strategy.

This paper will provide a summary of the vital role that landfill gas electric generation facilities played in the early compliance years, while presenting an analysis of the forecasts for coming years. The authors will also identify opportunities and market profiles for LFG facilities that are looking to participate in the emerging RPS markets nationwide.